

A Border Protection of Trademark in Rwanda: Challenges and the way Forward

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ABSTRACT

The Agreement on Trade Related Aspects of Intellectual Property (TRIPS Agreement) recommends an involvement of administrative or judicial authorities in a prevention of trademark infringement that can arise through the importation of goods. The Rwandan intellectual property law (IP Law) provides for a complementarity between courts and the Customs Authority to that end. TRIPS Agreement recommends a destruction of infringing goods as an effective deterrence against trademark infringement. However, it provides also for possibilities of release of goods before a determination on whether goods are infringing or not, and it cautions to take into account the seriousness of the case and interests of third parties.

The overall purpose for this article is an analysis of challenges surrounding the border protection of trademark in Rwanda and away forward for better protection. The guiding research questions consist of the question on how to balance between the rights of the importer to have goods released into free circulation and the rights of a trademark holder to have a decided suspension of goods maintained. There is a question of a silence of the law on how many times a court can decide an extension of suspension of release of goods. Moreover, there is a question on how the court should take into account an effective deterrence of the infringer and the rights of third parties in a use of its discretionary powers to decide a non-destruction of goods in the substance of the case. An effective approach to these research questions led to start with an overview on trademark infringement to facilitate an investigation of challenges relating to border measures against trademark infringement, and ultimately, an analysis of challenges relating to remedies in the situation the court deciding the case in substance finds goods to be infringing.

The study finds out that a right of inspection of goods by the right holder after their suspension from release into circulation by the Customs Authority can remove a suspicion on whether goods are infringing, leading to a definite release of the goods. It can also boost confidence for the right holder to go on with the case in substance which should involve an extension of suspension of release of goods to enable a discussion of any court remedy when the court finds the goods to be infringing. Concerning a number of times parties can go to court in the context of extension of suspension of release of goods, the study recommends an amendment of the IP Law to enable a suspension until the case is decided by courts at the final stage, and a complementary solution for the court administration to provide closer dates for cases of border protection of trademark. As to the disposal of infringing goods out the channels of commerce, an alternative

to a destruction of infringing goods that puts forward a total disconnection of the goods from the infringer should aim at a channeling of goods that are not sub standards to the population in need. In brief, the article concludes recommending an IP Law amendment and a capacity building for enforcing organs.

Key words: Intellectual property rights, trademark infringement, border measures, unfair competition, TRIPS Agreement.

1. INTRODUCTION

Border measures for the protection of intellectual property rights (IPRs) are recommended by the Agreement on Trade Related Aspects of Intellectual Property (TRIPS Agreement) concluded in the context of Uruguay round of negotiations and to which Rwanda is party since 1996.¹ TRIPS Agreement provides for an involvement of administrative or judicial authorities in the protection of intellectual property rights at the border. In the context of implementation of this provision, there are states parties to TRIPS Agreement that involve only customs authorities as an administrative body in the border measures for IPRs protection whereby the judiciary involves only when it comes

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¹ The Uruguay round of negotiations consists of negotiations that led to the establishment of the World Trade Organization (WTO) and to a conclusion of Multilateral Trade Agreements in 1994. WTO succeeded to the General Agreement on Tariffs and Trade (GATT) established in 1947. At the time of GATT, signatories aimed at an agreement “directed to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international commerce” (GATT 1947, Preamble, para2). During a GATT ministerial meeting held in Geneva in 1982, an idea of having new negotiations on other various aspects in international trade arose. These negotiations referred to as Uruguay round of negotiations started in Punta del Este in Uruguay in 1986 and ended in Marrakesh, Morocco in 1994 with a conclusion of the Final Act on Multilateral Trade Negotiations including the Agreement establishing the World Trade Organization (WTO) (see: WTO, Final Act embodying the results of the Uruguay Round of multilateral Trade Negotiations, available at https://www.wto.org/english/docs_e/legal_e/03-fa_e.htm, accessed on May 29, 2021 ; see also WTO, WTO legal texts, available at https://www.wto.org/english/docs_e/legal_e/legal_e.htm, accessed on May 29, 2021). Among Agreements signed in that context in 1994, there is a new GATT text. Moreover, the Final Act involved new areas that were not covered in the system of GATT 1947, and these include, among others, a General Agreement on Trade in Service (GATS), and an Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) (WTO, WTO legal texts, available at https://www.wto.org/english/docs_e/legal_e/legal_e.htm, accessed on May 29, 2021).

- According to the Marrakesh Agreement Establishing the World Trade Organization (the WTO Agreement), accession to the WTO implies accession to the Multilateral Trade Agreements concluded in the context of Uruguay round of negotiations annexed to that Agreement (Marrakesh Agreement Establishing the World Trade Organization, article 12.1). An Agreement on Trade Related Aspects of Intellectual Property is Annex 1C to the WTO Agreement, and Rwanda became a full member of WTO on 22 May 1996 (WTO, Members and observers, available at https://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm#observer, accessed on May 29, 2021). In accordance with article 12.1. of the WTO Agreement, this accession to WTO by Rwanda implies an accession to TRIPS Agreement on the same date of 22 May 1996.

to the substance of the case on IPRs infringement. Moreover, there are states parties that involve courts early at the level of measures taken at the customs and also in a determination in the substance of the case on IPRs infringement. Rwanda is among states parties that involve courts early in provisional measures at the customs and in a determination of the case in substance on IPRs infringement. In jurisdictions in which only customs involve in a border protection of IPRs, customs authorities can take any measure including a suspension of release into free circulation of goods suspected to be infringing, extension of the suspension of release of goods into free circulation, and remedies that include a destruction of goods that infringe IPRs through the simplified procedures. On the contrary, in jurisdictions that involve courts in provisional measures at the level of customs, the Customs Authority's role in terms of taking an autonomous decision ends with deciding or not a suspension of release of goods into free circulation. In addition, they involve in an enforcement of a court decision to extend or not to extend the suspension, and they involve later in an enforcement of court remedies upon a decision in substance on IPRs infringement. As to courts, these involve in deciding or not an extension of suspension of release of goods into free circulation, hearing and deciding the case in substance on trademark infringement and deciding on remedies after a hearing of the case in substance on trademark infringement.

The current article aims to analyze challenges surrounding the border protection of trademark in Rwanda with reference to the court intervention, and to discuss a way forward for a better protection. To that end, it will have the following guiding research questions:

1. How should the rights of a trademark holder be practically balanced against the rights of the importer concerning a release or non-release of suspected goods before the case is heard in substance on trademark infringement?
2. How many times should a right holder file cases to court for extension of suspension of release of goods into free circulation at the expiry of the first period of 20 working days or 30 calendar days of extension decided by the court to extend the same period of time for suspension decided by the Customs Authority?
3. How should the court take into account an effective deterrence of the infringer and interests of third parties when it uses its discretionary powers to decide a non-destruction of infringing goods?

To approach these research questions, the article will inspire mainly on a real situation of border protection of a duly registered trademark KANTA Brand for black hair dye products. This trademark underwent several infringements by several importers using different given names for imported products in a period of eight years from 2012² to 2020.³ The Rwandan Customs Authority dealt with these infringements at several occasions in that period of time, and Rwandan courts that include the Commercial Court, the Commercial High Court and the Court of Appeal had the opportunity to decide on those cases in substance on trademark infringement. Besides the court of Appeal, other above-mentioned courts and the Supreme Court had also the opportunity to decide on those cases in a summary proceeding process concerning extension of suspension of release of goods into free circulation.⁴

After this introductory part (1), the article will start introducing on trademark infringement and related challenges at the level of litigation of the case in substance (2). After a general overview on trademark infringement, it will discuss challenges on border measures against trademark infringement through the importation of goods (3), and challenges relating to remedies in the situation the court deciding the case in substance finds goods to be infringing (4). The article will suggest some remedies as a way forward for a better border protection of trademarks (5) before a final conclusion (6).

2. A COURT CASE IN SUBSTANCE ON TRADEMARK INFRINGEMENT

Trademark is one among different forms of protection of intellectual property rights. Intellectual property rights are protected under different forms depending on the creation of the mind under consideration. Besides trademark, other forms of protection include but are not limited to patents, utility models, industrial design, geographical indications and copyright. Any form of protection of intellectual property rights grants exclusive rights to the right holder. A use of rights protected under any of the above mentioned forms of protection outside the authorization of the right holder constitutes an infringement of intellectual

² MININTCO, 'Warning Letter of 12 July 2012', 2012.

³ R.com A 00450/2019/HCC. (This judgment dated 17 January 2020 was the last judgement in substance recorded so far concerning infringement of trademark KANTA decided by commercial courts).

⁴ The court of Appeal was established by Organic Law n° 002/2018.OL of 04/04/2018 establishing the Court of Appeal (*Official Gazette* n° Special of 30/05/2018). Before that date, an appeal of decisions taken by the Commercial High Court was filed within the Supreme Court, and it is in this context that the Supreme Court took a decision in a case of summary proceeding concerning extension of release of goods into free circulation in the case R.com A 00004/2017/SC of 11 July 2017. In this case, the Supreme Court favored a maintenance of suspension of release of goods until the case is decided in substance on trademark infringement (see 4.1.2 (a)).

property rights. TRIPS Agreement provides extensively for enforcement of IPRs⁵. In particular, it provides for border measures against infringement of trademark.⁶

An infringement of trademark can take place through a use at the local market of signs already registered as trademark, and it can take place by means of importation of goods bearing signs protected under trademark in the jurisdiction of importation. An infringement of trademark at the local market may take place following different scenarios. It may consist of goods manufactured locally on which similar signs to those registered as trademark were affixed. Moreover, it may consist of imported infringing goods that managed to reach the local market especially when the right holder didn't get information on their imminent importation to halt them at the custom (see 3 *infra*). The criteria for trademark infringement and different forms of trademark infringement are the same both in the situation of trademark infringement at the local market and in the situation of trademark infringement through importation of goods bearing signs already registered as trademark in the jurisdiction of importation. Equally, measures against trademark infringement in the jurisdiction where trademark infringement takes place are the same. It is about a removal of infringing goods from the market or a disposal of infringing goods out of the channels of commerce. Other measures that are common to both infringement of trademark inside the jurisdiction where trademark is protected and infringement of trademark through importation consist of injunctive reliefs in favor of a right holder, a destruction of infringing goods, and a payment of damages to the right holder. The only difference between infringement of trademark through importation and infringement inside the jurisdiction where trademark is protected refers to particular measures that apply at the border against infringing goods or imported goods bearing signs already registered as trademark by a different undertaker in the jurisdiction of importation. These measures that apply at the border enable to prevent infringing goods to enter the market where trademark is protected.

In Rwanda, most of cases of trademark infringement decided by courts in substance at the time of the current article are cases relating to the importation of goods bearing similar signs as signs protected under trademark at the local level. This situation may pertain to two factors. In principle, infringers prefer imitating trademarks that have already acquired a market share⁷ and filing a court

⁵ TRIPS Agreement, Agreement on Trade-Related Aspects of Intellectual Property Rights (as Amended on 23 January 2017)', January, 2017., Part III.

⁶ TRIPS Agreement., art 51.

⁷ Dennis S Corgill, ' Measuring the gains of trademark infringement', Fordham Law Review 65, no. 5 (April 1997), pp 1954-1962.

case for trademark infringement which is conditioned by trademark ownership involves a degree of understanding and awareness on IPRs by businesses. Most of industrial products available on the Rwandan market are imported goods⁸, and it is these goods that are more likely to attract trademark infringement than goods produced locally.

This section on a court case in substance on trademark infringement is of general character and it applies to both a court case in substance concerning infringement of trademark at the local market and trademark infringement through the importation of goods. However, it will involve cases of trademark infringement inside other jurisdictions to set a stage for cases of trademark infringement through the importation of goods that are common in Rwandan courts. It will cover a confusion and likelihood of confusion as criteria for trademark infringement (2.1.), different forms of trademark infringement (2.2), a relationship between trademark infringement and unfair competition (2.3.) and evidence in trademark infringement cases (2.4.).

2.1. CONFUSION AND LIKELIHOOD OF CONFUSION AS CRITERIA FOR TRADEMARK INFRINGEMENT

A trademark infringement refers to a use of a sign that leads or can lead to a confusion with an already recognized trademark. Both confusion and likelihood of confusion refer to a use of a non-recognized mark or a sign on goods that are identical or similar to goods protected under a recognized trademark. TRIPS Agreement⁹, and even the Rwandan law¹⁰ define trademark as a sign which is used to distinguish goods or services of one undertaker from those of other undertakers. A mark is recognized either by means of registration by the IP office, or simply because it is a well-known mark.¹¹ Signs that could amount in a confusion or a likelihood of confusion with the already registered trademark can't be registered as trademark in Rwanda.¹² Other signs that can't be registered as trademark under Rwandan law consist of signs that are imitative when compared to well-known marks or existing trade names¹³, signs that are

⁸ NISR, 'Formal External Trade in Goods Fourth Quarter', March, 2020, 1–26., p 5.

⁹ TRIPS Agreement., art 15.

¹⁰ Rwandan IP Law, 'Law N° 31/2009 of 26/10/2009 on the Protection of Intellectual Property', *Official Gazette N° 50 Bis of 14 December 2009*, December, 2009., Ibid, art 133.

¹¹ TRIPS Agreement., Ibid, art 16.1.

¹² Rwandan IP Law., art 134(3°), 137.

¹³ Ibid, art 136.

descriptive when compared to the goods to be protected under trademark¹⁴, and signs adopted in bad faith or that can amount in an unfair competition in the case they were registered¹⁵. There are also signs that are contrary to public order or morality¹⁶, and signs imitating flags, emblems, names or abbreviations of states or intergovernmental organizations.¹⁷

Besides the situation of a well-known mark that may be infringed through a use of imitating signs compared to those of the well-known mark, other signs prohibited from registration as trademark listed above don't affect necessarily a holder of a registered trademark as long as that right holder didn't neither use similar non-accepted signs as trademark. That is why it is about a confusion or a likelihood of confusion of an existing trademark that matters in the context of an infringement of a registered trademark. An infringer could have tried to register the mark and see the proposed sign refused from registration because it is already registered as a trademark in favor of a previous applicant to the IP office. The infringer could also have not tried to register that sign as trademark and simply decides to use it on identical or similar goods as those protected under trademark. What is common in these two different scenarios is that an infringement of an existing trademark constitutes a self-authorization to use a mark which is already registered in the name of another undertaker.

A confusion and a likelihood of confusion differ. Confusion refers to a situation where the misleading of consumers already took place. It is about a situation that already happened. A confusion in terms of trademark infringement pertains in principle to a use of identical mark (see 2.2.1. *infra*). A sign that led to confusion with an already recognized mark can't be registered as a trademark, and a use of that sign in the course of trade outside the right holder consent constitutes a trademark infringement.¹⁸ Concerning a likelihood of confusion, this is about the probability for confusion. This means that the confusion has not yet taken place. Equally a sign which is likely confusing compared to an already recognized mark can't be registered as a trademark, and its use in the course of trade outside the right holder consent constitutes a trademark infringement.¹⁹ A likelihood of confusion pertains mainly to similarity between a non-recognized mark or sign

¹⁴ *Ibid*, art 138.

¹⁵ *Ibid*, art 139.

¹⁶ *Ibid*, art 140 (1°).

¹⁷ *Ibid*, art 140 (2°).

¹⁸ TRIPS Agreement., art. 16.1.

¹⁹ *Ibid*.

with an existing trademark. A use of a confusing sign constitutes a trademark infringement itself and a use of a likely confusing sign involves other elements for an infringement to take place.

A likelihood of confusion involves different aspects in terms of relationship between a sign and an existing trademark for an infringement to take place. A likelihood of confusion refers to an average consumer of the product taken into consideration, and it involves a likelihood of association. A likelihood of confusion considers the trademark as a whole and not just some elements of the trademark especially as goods on which a sign which is likely confusing is used and that are presented to the consumer for purchase are not accompanied by goods protected under an existing trademark to enable a comparison by the consumer. As per *Lloyd Schuhfabrik Meyer & Co. GMBH v. KlijsenHandel BV*, “The average consumer normally perceives a mark as a whole and does not proceed to analyze its various details. [.....] the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind.”²⁰, ²¹ The concept of “average consumer” in terms of trademark infringement refers, in addition, to the nature of goods. Consumers pay attention to goods that are expensive and that they purchase frequently, and they pay less attention to goods they acquire regularly and sometimes, in a hurry²². Furthermore, the concept of “average consumer” takes into account final consumers and not the retailers who are supposed to be more familiar with the products.²³ In this context, a likelihood of confusion has a relationship with a likelihood of association. A likelihood of association is about the fact that a sign which is likely confusing leads consumers to associate the goods on which the sign is used to the origin of goods represented by an existing trademark. In other words, consumers are led to think that goods with a likely confusing sign are the same as goods with a registered trademark.²⁴ A concept of “association” refers to a mental representation of the previous known trademark and the actual sign”²⁵, and a likelihood of association refers to the aural, visual or

²⁰ *Lloyd Schuhfabrik Meyer & Co. GMBH v. Klijsen Handel BV* CJEU, 22 June 1999, C-342/97, cited in: L. T. C. Harms, *A Casebook on the Enforcement of Intellectual Property Rights*, 4th Editio, 2018., Ibid, p 39.

²¹ *Grandpa Pidgeon's of Missouri Inc v. Borgsmiller* 447 F2d 586., cited in: Harms., p 40.

²² New Zealand IP Office, Relative grounds - Identical or similar trade marks, available at <https://www.iponz.govt.nz/about-ip/trade-marks/practice-guidelines/current/relative-grounds-identical-or-similar-trade-marks/>, April 14, 2021.

²³ Ibid.

²⁴ Harms., Ibid, p 40.

²⁵ EUIPO, ‘The Likelihood of Confusion and the Likelihood of Association in Benelux and Community Trade Mark Law : Concepts , Interpretations and Evolutions’, p 4.

conceptual similarity between the sign and the trademark.²⁶

Some authors don't agree with a court determination of a trademark infringement based only on a likelihood of confusion between a sign and a trademark. According to Robert G. Bone, "the likelihood of confusion test is a test without a secure normative foundation"²⁷. For him, "the test should focus not only on the probability of confusion but also on the trademark related harm that confusion generates"²⁸. For Robert G. Bone, there is a need to "reconstruct the infringement test"²⁹ with reference to "the social value of trademark protection in economic terms"³⁰ and taking into account the consumer-autonomy³¹ and a "proof of bad intent".³² This approach from Robert G. Bone diverges from the concept of exclusive rights vested in a trademark ownership. Trademark ownership, and in particular trademark registration confers exclusive rights for exploitation of the trademark (TRIPS, art 16.1). This implies a prevention from use of a confusing mark also recommended by the Paris Convention for the protection of industrial property.³³ Therefore, a trademark right holder has no need to prove a loss suffered as long as he/she can provide evidence for trademark registration. A loss suffered can be thought about in the context of damages to be awarded after an infringement has been established. An infringement and damages suffered with trademark infringement are two separate notions. A confusion or a likelihood of confusion are criteria that apply to any form of trademark infringement.

2.2. DIFFERENT FORMS OF TRADEMARK INFRINGEMENT

2.2.1. *Identical marks*

Trademark infringement by means of identical mark refers to confusion between a sign and an existing trademark. Identical marks are known for having the same elements in "all material respects"³⁴, "where the former reproduces, without

²⁶ EUIPO., *Ibid*, p 3.

²⁷ Robert G. Bone, 'Taking the Confusion out of "Likelihood of Confusion": Toward a More Sensible Approach to Trademark Infringement', *Northwestern University Law Review*, 106.3 (2012), 1307–78., p 1037.

²⁸ Bone., *Ibid*, p 1037.

²⁹ *Ibid*, p 1438.

³⁰ *Ibid*, p 1438.

³¹ *Ibid*, p 1439.

³² *Ibid*, p 1350.

³³ Paris Convention, 'Paris Convention for the Protection of Industrial Property' <https://doi.org/10.1007/978-1-137-35471-6_5>., art 6bis, art 6quater (2).

³⁴ Harms., *Ibid*, p 28.

any modification or addition, all the elements constituting the latter”³⁵. The Intellectual Property System doesn’t accept a registration of an identical mark to avoid confusion with an already existing trademark³⁶. The Rwandan law doesn’t neither accept a registration of an identical mark to avoid confusion with an existing trademark.³⁷ However, this doesn’t prevent infringers to use a confusing mark or a sign in a trade of identical goods and services outside the right holder’s consent. This is in the situation where infringing goods bear signs that are identical to those for goods protected under a registered trademark.

An infringement by means of identical mark was determined by courts whereby these insisted on confusion between a sign and an existing trademark. In the case *Celine v. Afflelou (Celine)*³⁸, the appellant with a trademark of the same name used for optical items filed a court case for trademark infringement against Afflelou that uses the name Celine in a trade of eye glasses. The court of Appeal of Paris found a likelihood of confusion in terms of visual, aural and conceptual frameworks between the sign used by the appellee and the right holder’s trademark. The court found that a name used by the appellee Celine was identical to that used by the appellant in terms of visual, aural and conceptual representation. For the court, even though the appellant was well-known and that this couldn’t lead immediately an average consumer to associate the eye glasses to the appellant, the affixing of the terms Dion and Dion eyes on eye glasses frames by the appellee leads to nothing else than a confusion between the sign and the existing trademark. Moreover, a use of the term Celine leads to a likelihood of confusion in the mind of the public that would associate the sign and the trademark concerning their origins.³⁹ In Rwanda, a case of infringement by means of identical mark was recorded in the context of trademark infringement through importation goods. This was the situation in the *FRANCAFLA* case (see 3.3 *infra*). An infringement of trademark by use of identical marks has some shared characteristics with an infringement by a use of similar marks.

2.2.2. *Similar marks*

³⁵ *Ibid*, p 32.

³⁶ TRIPS Agreement., art 16.1.

³⁷ Rwandan IP Law., art 134, 137.

³⁸ Cour d’Appel de Paris, 30 Nov 2005 (*Celine c/ Afflelou (Celine)*) PIBD 2006 no 824 III 132), in: M. –F. Marais, T. Lachacinski, “*L’application des droits de propriété intellectuelle: Recueil de jurisprudence*”, OMPI, p 38.

³⁹ *Ibid*.

A prohibition of use of similar mark is provided by a same provision of TRIPS Agreement that prohibits a use of identical mark.⁴⁰ Equally, the Rwandan law doesn't authorize a registration of a similar mark. However, an infringement of trademark by means of similar mark is possible. There is similarity between a recognized mark and a similar non-recognized mark or sign whenever the non-recognized mark presents elements of similarity with the registered trademark. A similarity between a sign and an existing trademark involves a consideration of the entire trademark. This implies an overall impression that comes out of a comparison of the two. An overall impression between a sign and a registered trademark will certainly lead to a detection of points of dissimilarity besides points of similarity between the two. However, as mentioned earlier, a test of similarity in the context of trademark infringement doesn't take long on dissimilarities than similarities, and that is why it is a general impression that comes out the comparison that matters. When comparing the two, a weight must be put on points of convergence and not points of divergence. The test ignores points of dissimilarity or insignificant details with reference to an average consumer of the product^{41, 42, 43} A test of similarity has also to take into account other aspects that include trade channels of the goods, nature of the goods and purchasers or the relevant market, and in particular, a look and a sound of the mark.⁴⁴ However, a test of similarity in terms of the look and sound of the mark has to be distinguished from a colour and sound mark.⁴⁵

As it is for cases of identical marks, courts that decided on trademark infringement in terms of similar marks insisted on elements of convergence between a registered mark and a sign and not on insignificant differences between the two. In the case "Thermor", the right holder of trademark Thermor filed a court case for trademark infringement against the owner of Thermex. The two marks were used on the same types of utensils that serve in activities of water heating. The court of Appeal of Paris found that the denomination Thermex used an identical

⁴⁰ TRIPS Agreement., art 16.1.

⁴¹ Supra at note 21.

⁴² Supra at note 22.

⁴³ EU case law, cited in: Buydens, M., "*L'application des droits de propriété intellectuelle: Recueil de jurisprudence*", OMPI, 2014, pp.119-120.

⁴⁴ New Zealand IP Office, Ibid.

⁴⁵ Ramzi Madi, *Colour and Sound Marks: A Brief Overview of Civil Protection in Light of Jordanian Legislation*, *Arab Law Quarterly*, 2010, xxiv <<https://doi.org/10.1163/157302510X12607945807232>>., pp 42-44.

construction as for trademark Termor. This construction consists of having two syllables and seven letters for both Thermor and Thermex. For the court, the only difference which consists of different ending letters was not significant enough to enable a distinction between the two. The court found that this similar construction in the denomination of the two marks can mislead a consumer concerning the origin of the products. The court concluded in favor of trademark infringement by imitation.⁴⁶ In Rwanda, cases of trademark infringement in terms of a similarity criterion with reference to an identical construction of syllables and a number of letters in the name of a sign infringing a registered trademark include the KANFA case and the KANTO case (3.3.).

Besides cases where a difference between a trademark and a sign consisted for a sign or a non-registered mark to change just a letter in the registered mark, there are other cases of trademark infringement in terms of similarity in which a name given to infringing goods was distant to the name or a registered trademark. In the case *Danone v. B'A*, the appellant had commercialized alone on the French market the product Actimel that had no equivalent since 1997. Danone filed a court case for unfair competition against B'A for a commercialization of two products "B'A Force Equilibre" and "B'A Force vitalité" with a reproduction of similar features as for those for Actimel. The court compared the two products and found out that the appellee had not reproduced only one or two elements, but the whole of the characteristics that enable the public to identify Actimel through its attractive features. An imitation extended to the global appearance of the bottle and other aspects that include their packaging by six-two, a decoration with bending representations in the middle which is unique for Actimel, as well as dominant blue and white colours. In its defense, B'A alleged that the description above is technically inherent to the products. However, the court found that an unnecessary reproduction by B'A of an overall characteristic elements and other undertaken imitations for the commercialization of goods which is perfectly identical to that of the right holder led to a dilution of the right holder's trademark, and this led to a confusion in the mind of an average consumer.⁴⁷

Cases with distant names that Rwandan courts decided consist of cases whereby an infringement refers to the general appearance of suspected goods compared

⁴⁶ Cour d'Appel de Paris 20 oct 2000 "Thermor" PIBD no 712 III 38), in: M. -F. Marais, T. Lachacinski, *ibid*, pp38-39.

⁴⁷ *Ibid*, 23 Janvier 2002 *Danone vs B'A (Actime vs B'A force equilibre ; Actimel vs B'A Force vitalite)*, in: M. -F. Marais, T. Lachacinski, *ibid*, pp 66-67.

to goods protected under a registered trademark. This general appearance refers among others to colours and other signs appearing on the packaging of infringing goods compared to those of goods protected under a registered trademark. Cases decided by Rwandan courts in this context include those relating to a trademark infringement through the importation of goods. They include different cases that used a name WILD OLIVE and the SMART SHINE case (see 3.3. infra). Cases of trademark infringement whether in terms of similarity of the sign and the registered trademark or in terms of identical sign compared to the registered trademark can, in addition to the principle claim of trademark infringement, be supported by adding a claim of unfair competition.

2.3. TRADEMARK INFRINGEMENT AND UNFAIR COMPETITION

There is a close relationship between trademark infringement and unfair competition. Trademark infringement by use of a confusing mark or a mark which is likely confusing constitutes an aspect of unfair competition practice. According to Paris Convention, any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition.⁴⁸ These include all acts of such a nature as to create confusion by any means whatever with the goods of a competitor⁴⁹, or indications the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity of the goods⁵⁰. TRIPS Agreement recommends a respect of the above provisions from the Paris Convention.⁵¹ A close relationship between trademark infringement and unfair competition leads a claimant to be able to join an unfair competition claim to a trademark infringement claim.^{52,53}

From the perspective of comparison between the civil law and the common law traditions, the concept of unfair competition relates the most to the civil law system, whereas for the Common law system, a close concept to the civil law “unfair competition is” is the concept of “passing off”. The concept of unfair competition has a relationship with fairness in trade activities. The civil law system puts forwards fairness in business activities than competition, to

⁴⁸ Paris Convention., art 10bis(2).

⁴⁹ Ibid, art 10bis(3)(i).

⁵⁰ Ibid, art 10bis(3)(iii).

⁵¹ TRIPS Agreement., Ibid, art 2.1.

⁵² Harms., Ibid, p 53.

⁵³ M. –F. Marais, T. Lachacinski, ibid, p 65, para5.

the point that this system is “criticized as uncompetitive.⁵⁴ On the contrary, the common law system finds competition as the most important, and take into account fairness “when a competitor’s conduct is particularly extreme”.⁵⁵ However, a gap between the civil law unfair competition and the common law passing-off systems are more and more becoming narrow⁵⁶ thanks to the ECJ role at the level of EU in particular,⁵⁷ what led to a broadening of the concept of passing off⁵⁸ and its closeness to the concept of unfair competition. Traditionally, the concept of “passing-off” refers more to the goodwill than to the goods, and claimants “prefer injunctive relief over monetary relief”⁵⁹. Moreover, this concept was applicable across trade sectors.⁶⁰

The Rwandan law provides for a prohibition of unfair competition and ignore the concept of “passing off”. In addition to the protection of the rights of a trademark holder against a commercialization of goods using a sign which is identical or similar to the registered trademark⁶¹, the Rwandan IP Law provides for a protection against unfair competition. It prohibits a registration of a mark “if the application has been made in bad faith or where the sign, if registered, would serve unfair competition purposes”⁶², and the protection against unfair competition comes to supplement the protection provided by trademark registration⁶³.

The IP Law defines unfair competition as “an act or practice which, in the exercise of industrial or commercial activities, is unlawful or contrary to honest use”⁶⁴. This may consist of an act of practice that misleads or causes confusion among consumers or damages the reputation of a lawful business including a business of a trademark right holder.⁶⁵ Unfair competition practices may facilitate a collection of evidence in trademark infringement cases.

⁵⁴ Mary Lafrance, ‘10 . Passing off and Unfair Competition Regimes Compared’, 2011, 195–223., p 195.

⁵⁵ Ibid, p 195.

⁵⁶ Ibid, p 196.

⁵⁷ Ibid, p 197.

⁵⁸ Ibid.

⁵⁹ Catherine W. Ng, ‘The Law of Passing Off – Goodwill Beyond Goods’, 2016, 817–42 <<https://doi.org/10.1007/s40319-016-0510-9>>., p 824.

⁶⁰ Ibid, p 830.

⁶¹ Rwandan IP Law., Ibid, art 133, 134, 136.

⁶² Ibid, art 139.

⁶³ Ibid, art 178.

⁶⁴ Ibid, art 5(1°), 177.

⁶⁵ Ibid, art 180, 182, 183.

2.4. EVIDENCE IN TRADEMARK INFRINGEMENT CASES

Evidence in a trademark infringement case covers both a proof that the claimant is the owner of the trademark and that the trademark was infringed. A proof of ownership of trademark is established by a certificate of registration of trademark issued by a competent Government office. In Rwanda, a certificate of registration of trademark is issued by RDB. A certificate of registration of trademark shows, among others, the name and address of the right owner, a sign or a combination of signs registered as trademark and goods on which the trademark applies. Concerning an infringement of trademark, this can be proved by establishing that a sign which is similar to the sign registered as trademark was used without authorization of the trademark owner on similar goods by the defendant. According to the Rwandan law, evidence for trademark infringement has to refer to the provisions of the law, and it can be supported by case law and doctrinal writings.⁶⁶ Evidence in cases of trademark infringement is further enhanced by a presentation to the court of samples of both infringing goods and goods protected under trademark. This presentation of samples to court facilitates a practical assessment of the way a non-authorized use of signs that are confusingly similar to the registered trademark took place. In the situation where trademark consists of a combination of different signs as provided by art 133 (4^o) of the IP Law, an infringement of trademark doesn't need necessarily to reproduce the entire signs used in a registration of that trademark. Only a use of some of the registered signs is enough provided that this use led or can lead to a confusion between goods protected under the registered trademark and goods bearing signs used without authorization of a trademark holder.

It can happen for the right holder not to have access to the infringing goods to get samples to use in the hearing as evidence for trademark infringement. However, the IP Law provides for solutions that need to be implemented as such. For goods suspended from release into free circulation at the customs office, the IP Law provides for a right of inspection of goods by the right holder to have samples to substantiate the claim, among others.⁶⁷ For goods that are on the market, the same law provides for conservative measures to be granted by a competent court.⁶⁸ Despite this, the practice shows that these remedies are not put into practice as it should be. In the WILD OLIVE case involving MADAKA in which the

⁶⁶ CCLAP, 'Law No 22/2018 of 29/04/2018 Relating to the Civil, Commercial, Labour and Administrative Procedure', 2018., art 9.

⁶⁷ Rwandan IP Law., art 278.

⁶⁸ Ibid, art 255.

claimant requested provisional measures for conservation of evidence on goods that were in the warehouses of the defendant, both the Commercial Court and the Commercial High Court didn't grant the sought provisional measures aiming at having evidence in an ultimate case in substance referring to the common procedure whereby it is up to the claimant to provide evidence of the case.⁶⁹ However, a conservation of evidence is a common remedy provided not only by the Rwandan law, but also a remedy recommended by TRIPS Agreement⁷⁰, and which is available in different jurisdictions.^{71,72}

An overall review of cases of trademark infringement decided by Rwandan courts as seen below (see 3.3. infra) shows a hard task to prove infringement in cases of similar trademark where infringing goods have been given a distant name with regard to the name of the trademark compared to other cases of similar trademark or cases of identical mark. In the FRANCAFLA case, the court decision in favor of the right holder at the first level was confirmed at the level of appeal. Moreover, it was easy to prove infringement in cases of similar mark where infringing goods consisted of the same construction in terms of syllables and the number of letter. Judgments rendered by the Commercial Court in the KANFA and the KANTO cases that were in favor of the right holder were confirmed by the Commercial High Court. However, concerning cases of similar trademark involving a distant name, courts were hesitant in deciding in favor of a right holder in the beginning. WILD OLIVE cases were decided in favor of the defendant thrice in the Commercial Court⁷³ and once in the Commercial High Court.⁷⁴ A change of that position was in 2017 and it took place for the first time in the case R.com 000236/2017/CHC/HCC involving DRESOCECO at the Commercial High Court⁷⁵. A decision of the Commercial High Court in that case was later confirmed by the Court of Appeal and it helped in ultimate cases that include the WILD OLIVE case involving Rex Gloria at the level of appeal and

⁶⁹ R.com 00315/2018/TC/NYGE, R.com A 00160/2018/CHC/HCC.

⁷⁰ TRIPS Agreement., art 50.

⁷¹ Anton Piller orders in UK (Ref.' *Chappell v. United Kingdom* [1990] 12 EHRR 1, cited in: Harms., p 125.

⁷² The role of a seizure judge, a court expert in this field in Belgium. Ref: ICC, 'International Guide to IP Rights Enforcement', First, 2006., p 16.

⁷³ R.com 1105/15/TC/Nyge, R.com 000385/2017/TC/Nyge and R.com 02124/2018/TC.

⁷⁴ R.com A 0194/2016/CHC/HCC.

⁷⁵ The claimant had strengthened its team of counsels and the court involved expertise from RDB on the issue of similarity between products with name WILD OLIVE and products protected under trademark KANTA. The side of the claimant provided a clear understanding of the provision of art 133 (4°) and presented a case law and doctrinal texts from other jurisdictions that are in favor of the right holder (Claimant submissions). As to RDB expertise, this explained that a dominant test of similarity shows that WILD OLIVE signs are similar to a higher degree to those of KANTA (RDB expert witness report: see 3.3.).

the SMART SHINE case (see 3.3. infra). Evidence in the substance of the case for trademark infringement is the same whether for goods that are on the market and for imported goods halted at the customs and suspended from release into free circulation.

3. BORDER MEASURES AGAINST TRADEMARK INFRINGEMENT THROUGH THE IMPORTATION OF GOODS

Customs authorities play an important role in the protection of trademark through the importation of goods. They can prevent infringing goods to enter the market where trademark is protected. An involvement of customs authorities in a prevention of infringing goods to enter the market implies a close collaboration with a trademark holder and at the same time a respect of the rights of the importer. This applies both in jurisdictions where the customs authorities involve alone in a border protection of trademark and in jurisdictions where border protection measures adopted by customs authorities are supplemented by the role of the court. In jurisdictions where courts intervene to supplement the customs authorities, customs authorities take only provisional measures that may consist of a suspension of release of goods into free circulation. The court takes also provisional measures that may consist of an extension of suspension of release of goods. They take also final measures on whether imported goods consist of infringing goods or not.

There are challenges in the whole process of border protection of trademark with regard to the court intervention. This section will highlight those challenges through a systematic discussion that consists of the suspension of release of goods into free circulation (3.1.), an extension of the suspension of release of goods (3.2.), and a case in substance on trademark infringement through the importation of goods (3.3.).

3.1. A SUSPENSION OF RELEASE OF GOODS INTO FREE CIRCULATION

3.1.1. A suspension decided upon request by the right holder

TRIPS Agreement recommends member states to provide for a suspension of release into free circulation of imported goods, whenever those goods are suspected to be infringing with regard to an existing registered trademark.⁷⁶ In Rwanda, the IP Law authorizes the owner of IPRs to proceed for a request for

⁷⁶ TRIPS Agreement., art 51.

suspension of release into free circulation of imported goods whenever those goods are suspected to be infringing the right owner's registered trademark.⁷⁷ A suspension is decided upon a payment of a security of 20% of the value of goods by the right holder.⁷⁸ A big issue for the right holder is to have information on an arrival or imminent arrival to customs of imported infringing goods in order to proceed for a request of suspension of release of those goods. There are situations where the right holder gets information on an importation of infringing goods when clearance formalities have ended, and it happens that the rights holder gets an information on an importation of infringing goods at their sight when they are already on the mark. Trademark owners proceed with a request for suspension of release of goods into free circulation whenever they are aware of imminent infringement of their rights and through the cooperation with the customs services that can take an initiative for a suspension of release of infringing goods.

3.1.2. A suspension decided upon the customs authority initiative

A suspension of release into free circulation of goods suspected to infringe a registered trademark can be decided by the Customs Authority on its initiative. An initiative to suspend suspected goods from release into free circulation is recommended by TRIPS Agreement⁷⁹. For an informed decision to initiate a suspension of release of goods into free circulation, TRIPS Agreement provides for possibility of the competent authority to seek at any time from the right holder any information that may assist them to exercise these powers. According to TRIPS Agreement, customs can suspend a release into free circulation of suspect infringing goods⁸⁰ in the situation where the right holder has previously provided in advance "a sufficiently detailed description of the goods to make them readily recognizable by the Customs Authority"⁸¹. The Rwandan IP law incorporated this provision and provides for a submission to the Customs Authority of all information that can help this institution to exercise its prerogatives as provided by the same law.⁸²

⁷⁷ Rwandan IP Law., art 273.

⁷⁸ Ibid, art 276.

⁷⁹ TRIPS Agreement., art 58.

⁸⁰ Ibid, art 51, 52.

⁸¹ Ibid, art 52.

⁸² Rwandan IP Law., art 275.

An initiative by the customs to suspend a release of goods into free circulation in the EU relates to a close cooperation between the customs authorities and IP right holders. In EU, customs authorities can take initiative for suspension of suspected infringing goods and proceed for identification of the right holder for the later to fulfil the formalities within 4 days for a maintenance of the suspension.^{83, 84} A similar procedure applies in New Zealand⁸⁵. In this jurisdiction, a law provides for a written notice and documents accompanying the notice concerning a border protection of IPRs a right holder submits to the customs services, as well as the time frame the notice will last⁸⁶. Moreover, it provides for a publication of accepted notices on the website of the customs services to alert potential infringers that whenever they involve in an importation of infringing goods, these will be suspended from release into free circulation⁸⁷. This way of enforcement of IPRs by means of border measures in New Zealand whereby accepted notices from the right holder for a border protection of their rights is made public enables importers to have a prior information of goods forbidden from importation in the context of avoidance of IPRs infringement. That publication protects IP right holders at the border, it can help importers with good faith not to involve in illegal activities and it saves time for the customs services in terms of involvement in the suspension of release of goods into free circulation. A suspension of goods from release into free circulation last for a limited period of time, and this period can be extended.

3.2. EXTENSION OF THE SUSPENSION OF RELEASE INTO FREE CIRCULATION

3.2.1. *Extension decided by the customs services*

In jurisdictions that provide for a sole involvement of the customs services in the whole process of border protection of IPRs, it is upon the customs services to involve not only in a suspension of release of goods into circulation but also in an extension of that release. Concerning an extension of suspension of the release into free circulation in particular, this is decided by customs authorities in situations that include a failure by the right holder to start proceedings leading

⁸³ European Commission, *Report on the EU Customs Enforcement of Intellectual Property Rights*, 2019., p 8.

⁸⁴ ICC., *Ibid*, p 13, 53.

⁸⁵ Jessica C. Lai, 'Border Enforcement of Intellectual Property Rights: A Look at New Zealand', *IIC International Review of Intellectual Property and Competition Law*, 50.7 (2019), 792–822 <<https://doi.org/10.1007/s40319-019-00842-9>>., p 798.

⁸⁶ *Ibid*, p 796.

⁸⁷ *Ibid*, p 797

to the decision of the case in substance within a reasonable time period⁸⁸ or a need of additional time for inspection of goods by the customs.⁸⁹

Moreover, as per the ICC International Guide to IP Rights Enforcement dated 2006, there are some clear solutions in these jurisdictions on an issue of how long a suspension of goods from release into free circulation will last when a trademark infringement case is filed within the competent court. In Austria, a right holder has up to twenty working days to file a civil court case in substance or to initiate a criminal case for trademark infringement and to inform the customs services. In this situation, the customs services still hold the suspected infringing goods.⁹⁰ In Finland, when a right holder introduces a civil suit or initiates a criminal case and provides evidence to the customs, these hold a suspension of release of goods into free circulation until the case is decided by the competent court.⁹¹ Equally in India, the decided interim measures are still maintained until the case is decided in substance.⁹² These examples can inspire in terms of the length of extension of suspension of release of goods in jurisdictions in which the extension of suspension of release of goods is decided by courts.

3.2.2. Involvement of the competent court and the length of extension

In Rwanda, the role of the court in the context of border protection of IPRs starts with an extension of suspension of release of goods into free circulation. Concerning a border protection of trademarks in particular, the IP Law provides that “If considered necessary, the period of suspension [...] shall be extended by the competent court respectively for a new period not exceeding twenty (20) working days [...]”⁹³. Therefore, when the court is satisfied that a suspension of release into free circulation can be extended, it extends the suspension for a period of time provided by the law. The practice shows that the right holder requests for 20 working days and when the court finds the request justified, it grants an extension for the requested period of 20 working days⁹⁴. An involvement

⁸⁸ TRIPS Agreement., art 50, para 6, art 55.

⁸⁹ Lai., Ibid, p 797.

⁹⁰ ICC., Ibid, p 14.

⁹¹ Ibid, p 59.

⁹² Ibid, p 74.

⁹³ Rwandan IP Law., art 277, para 4.

⁹⁴ R.com 00023/2017/CHC/HCC, para 7.

of courts early at the level of extension of release of goods as provided by the Rwandan law is an option that falls within the provision of TRIPS Agreement. However, there is an issue of how many times a court can extend the suspension of release of goods into free circulation.

There is an issue of what happens after expiry of the period of extension of suspension of release of goods decided by the competent court. An involvement of the court in the case in substance concerning trademark infringement may start later following the court agenda that covers all cases the court received. The IP Law provides that at the expiry of 20 working days or 30 calendar days of extension decided by the Customs Authority, the court may extend the suspension for an additional period of time of 20 working days or 30 calendar days.⁹⁵ However, it doesn't provide for how many times the court can extend an extension of release into free circulation of the suspected goods. Art 277 para 4 of the Rwandan IP Law is silent on what follows at the expiry of an extension of suspension of release of goods decided by the competent court. It doesn't provide whether goods should be released or not. This silence of the law led the right holder of trademark KANTA to always apply for additional 20 working days of extension of suspension of release of goods into free circulation each time after expiry of 20 working days even for cases that had started to be heard in substance. From 2017, this practice started changing with the decision of the Commercial High Court in the WILD OLIVE summary proceeding case involving DRESOCECO⁹⁶ and upon the understanding by the parties.⁹⁷ In the WILD OLIVE summary proceeding case involving DRESOCECO, the court observed that the right holder had always requested for an extension of the period of suspension of release of goods into free circulation for 20 working days since the case in substance has been filed within the Commercial Court. Requests for extension of suspension of release into free circulation have been addressed to the Commercial Court when the case in substance was still in that court, and appeals against decisions extending the suspension were applied for to the Commercial High Court. After the case was appealed in substance to the Commercial High Court, the same requests of extension of suspension of release into free circulation were addressed to the Commercial High Court, and there

⁹⁵ Rwandan IP Law., art 277, para 4.

⁹⁶ R.com 00023/2017/CHC/HCC.

⁹⁷ In a summary proceeding of the SMART SHINE case at the Commercial High Court, parties told the court that they convened on a permanent suspension of release into free circulation for the period covering both a period of an amicable solution they had just started and a period of an ultimate return to court in the situation of failure of amicable solution, and that this was a ground for a withdrawal of the case. This was approved by Commercial High Court (R.com A 00614/2018/HCC).

is an appeal against the decision of the Commercial High Court extending the suspension of release into free circulation that was appealed to the Supreme Court.⁹⁸

In the hearing of the case R.com 0023/2017/CHC/HCC where the right holder was also requesting for an additional extension of suspension of release into free circulation of goods, the Commercial High Court observed that the same parties had always come to court each 20 working days whereby the claimant requested always for the same thing and whereby the defendant always presented the same defense and that the court had granted the same remedy. The claimant requested for extension of suspension of release into free circulation for 20 working days, and the defendant opposed the extension. Moreover, the court had always taken the same decision and granted the requested extension. The Commercial High Court requested the parties point of view on a possibility of extension of the suspension not just for 20 working days but until the case is decided in substance in the situation the court finds again the requested extension of suspension to be justified. While the right holder supported an extension until the case is decided in substance, the defendant opposed the extension for the proposed time period. The Commercial High Court decided that the requested extension goes until the case is decided in substance on whether the suspended imported goods constitute an infringement of trademark KANTA or not. According to the Court, this was to ease other activities of the Court instead of a constant repetition of receiving the same parties repeating the same things whereby the court took the same decision after each 20 working days.⁹⁹ This decision was not appealed by any of the parties. Moreover, after the case was decided in substance by the Commercial High Court, no additional extensions of suspension of release of the goods into free circulation was raised until the case was definitely decided in substance by the Court of Appeal. In terms of the time management, a decision of the Commercial High Court to extend the suspension of release into free circulation of goods suspected to be infringing was also in the interests not only of the right holder but also those of the importer that were both obliged to come to court each 20 working days repeating the same thing and having the same remedy. An extension of the suspension of release of goods into free circulation aims at a fair trial in the substance of the case especially as not only it ensures a conservation of evidence on trademark infringement, but also it enables the court to take any remedy including a destruction of the goods in the situation where these are found to be infringing in the substance of the case.

⁹⁸ See: 4.1.2.(a) infra.

⁹⁹ R.com 00023/2017/CHC/HCC.

3.3. A CASE IN SUBSTANCE AGAINST TRADEMARK INFRINGEMENT THROUGH THE IMPORTATION OF GOODS

Rwandan courts had the opportunity to decide in substance cases of infringement of trademark that arose out of importation of goods. These consisted of cases of trademark infringement in terms of identical marks, similar mark and unfair competition. Cases of trademark infringement in terms of identical marks that arose out of importation of goods include the FRANCAFLA case.¹⁰⁰ This case consisted of infringing black hair dye products that copied every sign appearing on the packaging of goods protected under trademark KANTA including the name “KANTA” itself. In this case, the Commercial court found goods imported by the defendant to be infringing, and the judgement was confirmed by the Commercial High Court.¹⁰¹ A trademark infringement in terms of identical mark requires paying much attention to be able to detect an infringement, what is not always the case in the situation of infringement that consist of similarity between a registered trademark and signs used on the packaging of infringing goods.

Cases of trademark infringement in terms of similarity of the sign used on infringing goods compared to the registered trademark include cases in which a given name to the infringing goods had the same construction in terms of syllables and the number of letters and that differ from the name of the registered trademark only in terms of one letter. Cases brought to courts with a change of just one letter consisted of infringing goods with a name KANFA hair dye¹⁰² and infringing goods with a name KANTO.¹⁰³ In the KANFA case, the infringer had replaced the letter T by F (KANTA > KANFA) in the name given to the product, and in the KANTO case, the infringer had replaced the last letter A with the letter O (KANTA > KANTO). In addition to the changing of only one letter in the name given to the infringing goods compared to the name of goods protected under trademark KANTA, an infringement in these cases lies in a copying of all other signs appearing on the packaging of goods protected under trademark KANTA. In all of these cases, the Commercial Court found an infringement of a registered trademark KANTA, and judgments were confirmed at the level of appeal. In the

¹⁰⁰ R.com 00148/TC/NYGE.

¹⁰¹ R.com A 0215/14/HCC.

¹⁰² Joint cases R.com 0020/14/TC/NYGE and R.com 0074/14/TC/NYGE.

¹⁰³ R.com 00149/2017/TC/NYGE.

reasoning of the Commercial Court, a changing of only one letter in the name of a registered trademark could lead to a confusion among consumers who could buy infringing goods thinking that there are acquiring goods protected under a registered trademark.¹⁰⁴ Cases of trademark infringement in terms of similarity decided by Rwandan courts were not only those relating to a same construction of syllables with a change of just one letter in the name given to the infringing goods.

There are cases of infringement of trademark in terms of similarity between the sign and the registered trademark that had a distant name given to the product compared to the name of the trademark. Those decided by Rwanda courts that arose out of importation of infringing goods consist of cases in which infringing goods were given a name WILD OLIVE. There is also the SMART SHINE case. In the WILD OLIVE case involving DRESOCECO, as it is in other WILD OLIVE cases where a right holder of trademark KANTA litigated with different importers, a debate referred not only to a distant name compared to the name “KANTA”, but also to the logo. Concerning a distant name, the right holder demonstrated that a trademark doesn’t consist only of a name given to the product, but to everything including the name and accompanying signs that were registered together as trademark at the IP office. As to the logo, and whereas the logo for trademark KANTA consists of a balance and that the logo for WILD OLIVE consisted of two olive fruits, the right holder demonstrated that an imitation of trademark KANTA for the purpose of confusion of the right holder’s clients consisted of the way the two olive fruits were arranged and where they were put on the packaging of the products. The two olive fruits in the logo of WILD OLIVE appeared confusingly the same as for the balance for KANTA. Moreover, the place of the logo was the same for both the packaging of hair dye products protected under trademark KANTA and for infringing hair dye products with a given name WILD OLIVE. The two olive fruits for WILD OLIVE were in the upper middle of the carton as it is for the balance for KANTA. In the WILD OLIVE case involving

DRESOCECO in particular, infringement was argued upon, in addition, by means of expertise in terms of a dominant text of similarity. In its report to the Commercial High Court, RDB showed that a test of similarity for WILD OLIVE

¹⁰⁴ Ibid, para 16.

in terms of colours, drawings and other signs with those that help to distinguish trademark KANTA for black hair dye products was very high.¹⁰⁵ The Commercial High Court took a decision in favor of the right holder MININTCO¹⁰⁶, and the decision of the Commercial High Court was confirmed by the Court of Appeal.¹⁰⁷ A similar court decision in the WILD OLIVE case was taken later by the Commercial High Court on appeal in the case involving Rex Gloria. In the same context, a court decision against an infringement based on similarity that involved distant names was taken in the SMART SHINE case by the Commercial Court and it was confirmed by the Commercial High Court.¹⁰⁸ This Rwandan jurisprudence on trademarks infringement in terms of similarity between a sign and the trademark shows that when examining a likelihood of confusion in trademark infringement cases, courts consider the general appearance of the trademarks in their entirety and not simply the minor differences. In all of these above mentioned cases, the right holder joined an unfair competition claim to the trademark infringement claim.

In cases of trademark infringement, Rwandan courts referred not only to a similarity between a registered trademark and a signs non-registered as trademark but also to unfair competition practices. This took place in the SMART SHINE case in particular. In this case, the Commercial Court referred to article 177 of the IP Law and found out that the fact for the defendant to proceed for importation of goods with confusingly similar signs as those for goods protected under a registered trademark KANTA which was not a first importation of the kind, had no other purpose than the misleading of consumers of those products.¹⁰⁹ A defense for most of businesses that engage in unfair competition practices is that the trademark may be creating monopolies. However, as per the Glaxo group Ltd v. Dowelhurst Ltd [2000] EWHC Ch 134 [UK], “trademark rights don’t create monopolies in the true sense. Although trademarks give rise to exclusive rights as an indication of the source and quality of goods, it is only when relating to

¹⁰⁵ RDB, ‘Expert Witness Report’.

¹⁰⁶ R.com A 00236/2017/CHC/HCC, interpreted by interpreted by RS/INTERT/R.com 00008/2017/CHC/HCC.

¹⁰⁷ R.com AA 00086/2018/CA.

¹⁰⁸ R.com A 00450/2019/HCC.

¹⁰⁹ Joint cases R.com 01607, R.com 01751, and R.com 01862/2018/TC, para 16, 19, 24 corrected by RS/RECT/R.com 00023/2019/TC.

goods that they have life or value”.¹¹⁰ The issue of monopoly as a defense in cases of trademark infringement was raised in some cases decided by Rwandan courts. In the WILD OLIVE case involving DRESOCECO, the court of Appeal rejected allegations from defense that trademark KANTA would be creating a monopoly upon the appellant demonstration that it has no problems with other traders on the Rwandan market who also involve in a trade of hair dye products using their own marks that have no relationship in terms of confusion with a registered trademark KANTA.¹¹¹ A trademark infringement that constitutes in addition a case of unfair competition should be sorted out by court remedies aligned with the IP system.

4. REMEDIES UPON DETERMINATION OF TRADEMARK INFRINGEMENT

Remedies existing upon trademark infringement include remedies existing at the level of customs procedures and there are remedies applied by courts when they find goods to be infringing. Remedies existing at the level of customs procedures include customs simplified procedures that exist in jurisdictions that involve only customs authorities in a border protection of trademark. Customs simplified procedures enable customs authorities to put an end to a situation of trademark infringement and this may involve a destruction of infringing goods upon the customs services decision. Remedies existing at the level of customs procedures include, in addition, a possibility of release of goods before a hearing of the case in substance or a maintenance of the suspension of release of goods. These remedies exist both in jurisdictions that involve only the customs authorities in a border protection of trademark and jurisdictions that involve in additions courts in that process.

Concerning remedies applied after courts find goods to be infringing, these remedies exist mainly in jurisdictions that involve courts to supplement the role of customs authorities. A possibility of both a release of goods or a maintenance of goods in suspension before a hearing of the case in substance requires a balance between rights of the importer and those of the right holder, and remedies applied by courts after they find goods to be infringing need to take into account the seriousness of the case.

This section will systematically analyze all the above mentioned remedies and related challenges starting with remedies against trademark infringement at

¹¹⁰ Harms., Ibid, p 22.

¹¹¹ R.com AA 00086/2018/CA, para 29, 38, 56.

the level of customs procedures (4.1.), and afterwards, remedies existing upon determination of trademark infringement in the substance of the case (4.2.).

4.1. REMEDIES AT THE LEVEL OF CUSTOMS PROCEDURES

4.1.1. *Customs simplified procedures*

Customs simplified procedures in the context of enforcement of IPRs enable the customs services to take measures that put an end to the infringement without delays or unnecessary costs. According to TRIPS agreement, procedures concerning the enforcement of IPRs should not be unnecessarily complicated or costly, or entail unreasonable time-limit or unwarranted delays.¹¹² With simplified procedures, customs services can proceed with a destruction of goods after their suspension from release into free circulation “without the need for further intervention or participation by the holder of the rights”.¹¹³ This is possible whenever those goods are prohibited from importation, and in particular, whenever the goods amount in an infringement of trademark in jurisdictions that provide for the sole involvement of customs authorities in the whole process of border protection of IPRs¹¹⁴ In the EU, the customs authorities have powers in terms of a release or a suspension of release of goods into free circulation. They have powers to extend the suspension of release of goods, the possibility for destruction of goods and a disposal of goods out of channels of commerce, all without any court intervention.^{115, 116, 117}

The Rwandan IP law doesn't provide for simplified procedures for IPRs enforcement at the level of the customs. It involves courts in border measures for the protection of IPRs from the stage of extension of suspension of release of goods decided by the Customs Authority. However, in the context of EAC integration, the Commissioner for Customs has powers to take any measures

¹¹² TRIPS Agreement., art 41.2.

¹¹³ Alan Towersey, 'Simplified Procedures for Customs Intellectual Property Rights Enforcement', 11.2 (2011), 49–60., p 51.

¹¹⁴ TRIPS Agreement., art 59.

¹¹⁵ The European Parliament and The Council of the European Union, 'Regulation (EU) No 608/2013 of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights and repealing Council Regulation (EC) No 1383/2003', 608, 2013, 15–34., art 23, 24, 15, 26.

¹¹⁶ See also the CJEU judgment of 1 Dec. 2011, in Joined Cases C-446/09 and C-495/09, *Koninklijke Philips Electronics NV v. Lucheng Meijing Industrial Company Ltd and Nokia Corporation v. Her Majesty's Commissioners of Revenue and Customs*, cited in: Laurent Ruessmann and Francesca Stefania Condello, 'The CJEU Judgment in Nokia and Philips Clarifies the Intellectual Property Rights', *Global Trade and Customs Journal*, 7.4 (2009), 183–190.

¹¹⁷ European Commission., *Ibid.*, p 8.

that include a destruction of imported prohibited goods.¹¹⁸ Rwanda is a Member of EAC since July 2007, and according to the hierarchy of norms that provides for precedence of conventions to which Rwanda is party over ordinary laws¹¹⁹, the EAC Customs Management Act as amended to date takes precedence to the Rwandan IP Law. In this respect, a use of simplified procedures for enforcement of IPRs at the level of customs is legal in Rwanda. A non-application of customs simplified procedures in the context of border protection of trademark could be interpreted to some extent as a means of weighing the right of the importer and that of a trademark holder.

4.1.2. Balancing between rights of the trademark holder and rights of the importer before a court determination on trademark infringement

a. A release of goods upon no-compliance with formalities to involve the court in the case

Suspended goods can be released into free circulation by the Customs Authority out of determination whether they are infringing or not. This is possible when a right holder doesn't file a court case for extension of suspension of release of goods and for determination of trademark infringement in the substance of the case within a reasonable time frame. This may take place if after 10 working days of the suspension, the Customs Authorities are not informed either of the court proceedings for the case in substance concerning infringing of trademark, or they are not informed of provisional measures prolonging the suspension of the release into free circulation.¹²⁰ A release of goods by a lack of filing a court case by a right holder is a way of release of goods which doesn't cost anything to the importer. However, an importer can pay a security of 10% of the value of goods and have them released into free circulation. A payment of 10% of the value of goods and have them released into free circulation doesn't put an end to a court process for determination in substance whether goods are infringing or not. In this respect, a payment of 10% of the value of goods and have them released into free circulation can prevent a right holder a chance to discuss a remedy of a destruction of goods in the situation where the goods are later found to be infringing by the court deciding the case in substance (4.2.2.). The same is the situation when goods are

¹¹⁸ 'East African Community Customs Management Act, 2004 (revised edition 2018)', 1, 2018., section 16 (3); second schedule, 1.

¹¹⁹ 'The Constitution of the Republic of Rwanda of 2003 revised in 2015', *Official Gazette*, March, 2013, 1–99., art 95.

¹²⁰ Rwandan IP Law., art 277, para 3.

released without a payment of that security of 10% by the importer.

There are situations in which goods were released before a determination on trademark infringement out of the two conditions of non-filing of a court case by a right holder and a payment of 10% by the importer to see goods released into free circulation. In a summary proceeding process initiated by Rex Gloria before the Commercial High Court, this court decided a release of goods whereas the case in substance aiming at a determination whether those goods were infringing or not was still pending before the same court. Among the motivations of the court, the right holder could claim damages if the goods were later found to be infringing during a court case in substance.¹²¹ However, the Supreme Court had decided in favor of maintaining a suspension of release into free circulation of goods before a determination of the case in substance on trademark infringement. In an appeal against a previous summary proceeding process where the Commercial High Court had equally decided a release of goods before a hearing of the case in substance¹²², the Supreme Court had stressed that a release into free circulation of goods suspected to be infringing a registered trademark prevents a discussion on the destruction of those goods in the substance of the case. For the Supreme Court, a suspension of release into free circulation of goods suspected to infringe a registered trademark is to protect the reputation of goods of the right holder especially as suspected goods can ultimately be found to be infringing in the court case in substance¹²³. This decision of the Supreme Court is aligned with the rationale for payment of a security by the right holder to have the goods suspended from release into free circulation.

The Rwandan IP law provides for a deposit of 20% of the value of goods by a right holder to have the suspected goods suspended from release into free circulation. This security is to serve, among others, in a payment of damages to the importer in the situation where after a suspension of release of the goods, these are later found not to be infringing.¹²⁴ A percentage of 20% can appear to be a huge amount if the imported goods are of a great value and given the period of just 3 days for their payment, especially if the rights holder is still in the beginning of the business. However, worries that this percentage can be huge and be a burden for certain right holders should be balanced with possible worries that this percentage can be little to compensate an importer. Goods suspended from release into

¹²¹ R com 00003/2019/HCC, para 7, 12.

¹²²R.com A 0017/2017/CHC/HCC.

¹²³ R.com A 00004/2017/SC, para 22, 23, 24.

¹²⁴ Rwandan IP Law., art 276.

free circulation can take long in customs warehouses before a final decision on whether they are infringing or not, and at the end of the process they can be found not to be infringing. In jurisdictions in which customs authorities involve in the whole process of border protection of trademark, these two opposing kind of worries are likely not to arise. In those jurisdictions, customs authorities use a short period to take a final decision compared to the period it takes to have a final court decision in the substance of the case on trademark infringement (see 4.1.1). A good balance would come from a decision a right holder can take to stop or to go on with the case after a visit of the suspended goods.

b. A right to visit the suspended goods by the right holder as a remedy

There is a need of balancing between a release into free circulation of imported goods and rights of the trademark owner to maintain a suspension of goods thinking of the situation in which the goods are later found to be infringing in a court case in substance. A payment of 10% of the value of goods by the importer and have the goods released into free circulation can prevent an enforcement of some remedies provided for infringing goods in the situation where the court finds goods to be infringing during a court case in substance. When goods are released, they immediately enter the channels of commerce and a court remedy directing from their removal from the channels of commerce or a remedy directing for their destruction would have no effect¹²⁵. However, a provided payment of 20% of the value of goods by the right holder and have the goods suspended from release into free circulation can serve both the right holder and the importer. From the perspective of the right holder, a payment of 20% is to have the goods suspended from release into free circulation and an ultimate enforcement of any court remedies protecting the existing trademark in the situation where the court finds the goods to be infringing in a court case in substance. From the perspective of the importer, 20% of the value of imported goods can be a basis for payment of damages by the claimant in case the suspended goods are proved not to be infringing.

It is possible that a security of 20% be insufficient to compensate the loss that can arise, if after in the case in substance, it appears that goods were not infringing, and especially if at the end of a possible long process, goods have reached their expiry date or cost for their maintenance in the customs warehouses have highly increased. The fact that it can be burdensome to the claimant to indemnify the importer in the situation where the goods come to the expiry date or in the

¹²⁵ R.com A 00004/2017/SC, para 22.

situation where the decision in substance of the case comes after a long period of time and that goods are found not to be infringing would make a right holder to think twice before requesting a suspension of release into free circulation of imported goods or an extension of the decided suspension. A right holder has possibilities to limit possible damages he/she can be condemned to.

The Rwandan IP law authorizes the right holder to inspect the goods suspended from release into free circulation.¹²⁶ At the time of request of suspension, the right holder just suspects the goods to be infringing. With a right to inspect those goods, it is an opportunity for the right holder to check whether the imported goods constitute an infringement to his/her trademark rights or not, before the period of suspension granted by the Customs Authority expires. Therefore, if it appears to the right holder that the suspected goods are not infringing, the right holder could request the Customs Authority to release them. The right holder can also desist from requesting the competent court to proceed for extension of the suspension. In this situation, a deposit of 20% can be used for the compensation of the importer. Therefore, the right holder could request for extension of suspension of release into free circulation whenever there is high probability that the court will declare goods to be infringing. A balance between a paid 20% by a right holder for a suspension of goods and a payment of 10% of their value by the importer for a release of the goods shows that a payment of 20% and have the goods suspended from release into free circulation is likely to provide a solution which can safeguard the rights of both a right holder and those of the importer. This solution is in conformity with the Intellectual Property System. A good balance between the rights of the importer and those of the trademark holder is likely to lead to remedies aligned with the IP system after the court finds goods to be infringing in the substance of the case.

4.2. REMEDIES UPON DETERMINATION OF INFRINGEMENT IN THE SUBSTANCE OF THE CASE

4.2.1. *Injunctions*

When a court finds goods to be infringing in an assessment of the case in substance, it can provide injunctions to stop the undergoing infringement and to protect from an ultimate infringement. According to TRIPS Agreement, an effective action against any act of infringement of IPRs includes expeditious remedies to prevent infringements and remedies that amount in deterrence from

¹²⁶ Rwandan IP Law., art 278.

further infringement.¹²⁷ An injunction directs a party to desist from infringing and prevents the entry into the channels of commerce in their jurisdictions of imported goods that involve the infringement of IP right.¹²⁸ When infringement of IPRs is established in a court case in substance, injunctions are discretionary to courts in some jurisdictions. However, this should not be a basis for denial of adequate remedies against trademark infringement.¹²⁹ Injunctions in the context of enforcement of IPRs should refer to a previous knowledge of the infringer that the activity he/she undertakes consists of infringement of IPRs.¹³⁰

Rwandan courts have provided injunctions to the defendants to desist from ultimate importation of infringing goods. However, an enforcement of this measure by courts has not stopped such ultimate importation, what may lead to question the effectiveness of this kind of injunction. Besides an order to the defendant to desist from ultimate importation of infringing goods, other remedies for trademark infringement in general include a destruction of infringing goods and a disposal out of the channels of commerce of infringing goods.

4.2.2. A destruction of infringing goods

A destruction of infringing goods is a measure available under TRIPS Agreement in the situation of infringement of trademark. A destruction of infringing goods is possible in the context of simplified procedures in jurisdictions that apply the simplified procedures, and it is a measure that can be decided by courts after they find goods to be infringing in the court case in substance. TRIPS Agreement provides for a destruction of infringing goods as a means for disposal of infringing goods outside the channels of commerce. Moreover, it considers a destruction of infringing goods as a primary remedy that can provide deterrence against infringement of trademark unless in the situation where this remedy would be contrary to constitutional requirements.¹³¹ In this context, a destruction of infringing goods should be a preferred remedy compared to other remaining remedies in principle in the situation where the court finds goods to be infringing. TRIPS Agreement recommends a destruction of infringing goods upon the seriousness of the case and taking into account interests of third parties.¹³² A

¹²⁷ TRIPS Agreement., art 41.1.

¹²⁸ Ibid.

¹²⁹ Harms., Ibid, p 127.

¹³⁰ Ibid, p 122.

¹³¹ TRIPS Agreement., art 46.

¹³² Ibid.

seriousness of the case may be the situation in which a trademark infringement consists at the same time in counterfeiting. According to TRIPS Agreement, the meaning of “counterfeits trademark goods” covers:

“any goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trademark, and which thereby infringes the rights of the owner of the trademark in question under the law of the country of importation”.¹³³

According to L.T.C Harms, counterfeiting is a crime¹³⁴ committed for commercial purposes¹³⁵, and counterfeiting goes beyond a simple trademark infringement.¹³⁶

In Rwanda, a destruction of infringing goods is a measure that can be decided by courts in their discretion after they found goods to be infringing in the case in substance,¹³⁷ and a seriousness of the case¹³⁸ can be a good basis for a court decision granting or refusing a destruction of infringing goods when this remedy is sought by the right holder. A seriousness of the case can be a situation of re-infringing. In the SMART SHINE case, the court found out that it was not the first time that the defendant involved in an importation of black hair dye products that constitute an infringement to a registered trademark KANTA. The Commercial Court pointed out that in the previous KANTO case, the court had not granted a sought destruction of goods as the defendant convinced the court that it didn't know that the involved importation of black hair dye products with similar sign to an existing trademark consisted of an infringement of IPRs. A new importation of black hair dye products with a given name SMART SHINE led the court not to hesitate in deciding a destruction of infringing goods.¹³⁹

There are cases in which when the right holder requested for a destruction of infringing goods, the defendants objected saying that infringing goods cannot be destroyed as long as they are not proven to be dangerous to consumers. This was the situation in the WILD OLIVE case involving DRESOCECO mentioned

¹³³ TRIPS Agreement., art 51, Footnote 14 (a).

¹³⁴ Harms, L. T. C., *A Casebook on the Enforcement of Intellectual Property Rights*, 2nd edition, 2008, p392 (18.1).

¹³⁵ *Ibid*, p 397 (18.11).

¹³⁶ *Ibid*, p 392 (18.2); p398 (18.12).

¹³⁷ Rwandan IP Law., art 284.

¹³⁸ TRIPS Agreement., art 46.

¹³⁹ Joint cases R.com 01607/2018/TC, R.com 01751/2018/TC and R.com 01862/2018/TC', para 16, 19, 24 corrected by RS/RECT/R.com 00023/2019/TC.

above. Even though nothing shows that this could have influenced court decisions refusing a destruction of infringing goods, it has to be recalled that a trademark case as well as any other intellectual property court case aims at private rights of the right holder. It differs from a consumer protection case that aims at the protection of interests of consumers or the general public. As mentioned above, the purpose for a destruction of infringing goods is to provide an effective deterrence to the infringer.¹⁴⁰ A consumer protection case in terms of industrial products refers to sub-standards whereas for a trademark case, infringing goods or counterfeits can consist of sub-standards or not. Sub-standard goods may arise out of a manufacturing process which is not in conformity with the standards set by a competent authority. Moreover, they may refer to a non-proper use of the patent information in the manufacturing of goods. However, as the patent information is easily accessible for infringers not only upon its disclosure at the time of application for patent or upon its availability into the public domain for expired patents, infringers of trademark can manufacture goods which are up to the standards but which still are infringing or counterfeits for the simple fact not to belong to the true channel of distribution of goods set by the right holder.¹⁴¹ A destruction of infringing goods prevents those goods to enter the market, and as per TRIPS Agreement, this is one of the means for a disposal of infringing goods out of the channels of commerce.

4.2.3. A disposal out of the channels of commerce of infringing goods

A court may decide a disposal of infringing goods outside the channels of commerce as a remedy for a case in substance on trademark infringement. A disposal out of the channels of commerce of infringing goods in the context of trademark enforcement is recommended by TRIPS Agreement in the same legal provision as for the destruction of infringing goods.¹⁴² TRIPS Agreement recommends that in deciding an adequate means for disposal of infringing goods out of the channels of commerce, which should be without any compensation to the right holder, and conditions should be a seriousness of the case and interests of third parties.¹⁴³ The Rwandan law that provides for a disposal of infringing goods out of the channels of commerce didn't provide for details on how this

¹⁴⁰ . Supra at note 132, 133.

¹⁴¹ TRIPS Agreement., art 51.

¹⁴² Ibid, art 46.

¹⁴³ Ibid.

measure should be operated. It just provides for a discretion of the court.¹⁴⁴ However, in the light of other jurisdictions, a disposal of infringing goods out of the channels of commerce can be operated via other lawful means. As mentioned above, a destruction of infringing goods is one among these lawful means. Moreover, a consideration of interests of third parties which is recommended by TRIPS Agreement may consist of a donation of goods which are not sub standards to charities¹⁴⁵. It can consist of a recycling of the goods for which a recycling is possible provided that in the adopted measures, the goods are disconnected from the importer, and that they can't be returned to the market.¹⁴⁶ Concerning donations, this is a measure that takes place in jurisdictions that include the UK whereby the customs authorities have first to consult with the right holder and after a testing with safety standards.¹⁴⁷ A disconnection of an importer from infringing goods by means of donation to charities can also provide relief to a right holder and this measure can be complemented by an award of damages to the right holder.

4.2.4. Damages

In cases of trademark infringement as it is for other cases of infringement of IPRs, damages can serve as compensation for the occurred suffering arising out of the infringement. According to TRIPS Agreement, damages are to be paid by an infringer who knowingly, or with reasonable grounds to know, engaged in infringing activity¹⁴⁸. Infringers should also pay the right holder expenses, and in appropriate cases, a recovery of profits and/or payment of pre-established damages even where the infringer did not knowingly, or with reasonable grounds to know, engages in infringing activity.¹⁴⁹ In the context of border protection of trademark, a right holder can request and be paid damages upon a court decision at the occasion of the hearing of the case in substance. A payment of damages is a standalone legal remedy in the situation of infringement of trademark and it should not be considered as an alternative to a disposal out of the channels of commerce of infringing goods or the destruction of goods found to be infringing during the court process in the substance of the case.

¹⁴⁴ Rwandan IP Law., art 284.

¹⁴⁵ Judith Soentgen, "Disposing of counterfeit goods: unseen challenges", in: *WIPO Magazine*, November 2012, available at https://www.wipo.int/wipo_magazine/en/2012/06/article_0007.html, April 7, 2021.

¹⁴⁶ Ibid.

¹⁴⁷ Ibid.

¹⁴⁸ TRIPS Agreement., art 45.1.

¹⁴⁹ Ibid, art 45.2.

A payment of damages instead of enforcing other legal remedies provided in counterfeits cases could lead to the applying of “different standards for those capable of paying damages as opposed to the impecunious”.¹⁵⁰ This should not be the case especially in cases where the claimant “has established that damages cannot be an adequate remedy”¹⁵¹ considering the way he/she “has invested heavily in its intellectual property”.¹⁵² According to the court in Kenya, “no award of damages [...] can compensate [...] if the infringement is not halted”.¹⁵³ Therefore, not only courts should not think of awarding damages as an alternative to other remedies provided by the Intellectual Property System in situations of trademark infringement, but also, the Customs Authority or courts ceased with a request for suspension of release of goods into free circulation or an extension of that suspension should not release the suspected goods before a decision of the case in substance takes place, unless in the situation where the suspected goods are likely not to be found infringing. As seen above (4.1.2 (a)) the Commercial High Court released goods that were suspended by the Customs Authority and for which a suspension of release into free circulation was extended by the Commercial Court, and one of the motivations for a release of goods was that the right holder could be paid damages if after the court deciding the case in substance finds the goods to be infringing.¹⁵⁴ Here, the court didn’t take into account that a payment of damages can’t replace other remedies provided by the Intellectual Property System, and a destruction of infringing goods in particular.¹⁵⁵ A court decision to release the goods that were found after to be infringing¹⁵⁶ deprived the right holder a chance to discuss a destruction of goods during a hearing of the case in substance. A destruction of infringing goods and other legal provisions relating to a border protection of trademark in a whole are in conformity with the provisions of TRIPS Agreement, but challenges relating to their implementations suggests to question the way forward to that situation.

5. WAY FORWARD

Challenges relating to a whole process of border protection of trademark can

¹⁵⁰Re Strategic Industries Limited Civil Case No 333 of 2010, cited in: Braxides Shaluma Ongola, ‘Efficacy of anti-counterfeit laws in Kenya,’ LL.M Thesis, October, 2014., p 41.

¹⁵¹ Ibid, p 41.

¹⁵² Ibid.

¹⁵³ Ibid.

¹⁵⁴ R. com 00003/2019/HCC, para 7, 12.

¹⁵⁵ TRIPS Agreement., art 46, 59.

¹⁵⁶ R.com A 00004/2019/HCC.

be ranged into two. The guiding research questions set in the beginning of this analysis (1) leads to observe that there are challenges relating to the content of the IP Law and challenges relating to the enforcement of the law by competent organs. Concerning the content of the law, some provisions are not clear enough to provide the needed guidance. There are also situations where the law is silent concerning a conduct to be adopted. As to the enforcement of the law, the practice reveals a need of capacity building for a comprehensive understanding of this technical field. A recommended way forward for these challenges goes for amendment of the IP Law and administrative review (4.1), and it points out training needs and awareness raising activities in this domain (4.2).

5.1. AMENDMENT OF THE IP LAW AND ADMINISTRATIVE REVIEW

5.1.1. A number of times a court can extend a suspension of release of goods

There is a need of clarity on a number of times a court can extend a suspension of release of goods into free circulation once this suspension was decided by the Customs Authority. The IP law provides for an extension of suspension of release into free circulation of suspected goods for 20 working days or 30 calendar days. This led to a practice of filing a court case for extension of suspension of release of goods each 20 working days, what led to a repetition of the same thing each 20 days by the right holder, the importer and courts. The right holder and the importer were obliged to return to court each 20 working days repeating the same thing, and courts were obliged to hear the same thing and take the same decision each 20 days.¹⁵⁷ As seen above, some jurisdictions provide for a suspension of release of goods until the case is decided in substance (see 3.2.1. supra). In this respect, and referring to both the rights of a trademark holder and those of the importer as well as the role of the court to involve in other cases, the law should be amended and provide for a request of extension of suspension of goods into free circulation until the case is heard in substance and during ultimate recourse procedures until the final court decision (res judicata). This solution should contribute to enabling parties to use effectively their time in their daily business activities. This solution was premised by the decision of the Commercial High Court in the case R.com 00023/2017/CHC/HCC¹⁵⁸, and it should be supplemented by other administrative measures at the level of the court.

¹⁵⁷ R.com 00023/2017/CHC/HCC, para 5. 6, 7.

¹⁵⁸ Ibid, para 11.

TRIPS Agreement recommend a short time period concerning provisional measures in the context of border protection of IPRs to avoid unnecessary delays and costs. A proposal for law amendment to enable a suspension of release of goods into free circulation until the case is heard in substance and decided definitely should be supplemented by administrative measures that can enable to keep this spirit of a short time frame recommended by TRIPS Agreement. In this context, the President of the competent court should use his/her discretionary powers and provide always for closer dates for a hearing in substance of cases arising out of implementation of border measures for the protection of trademark.

5.1.2. Clarity on a disposal of infringing goods out of the channels of commerce

The Rwandan law does not provide how a disposal of infringing goods out of the channels of commerce should be operated, and this needs more clarity. As per TRIPS Agreement, a disposal of infringing goods out of the channels of commerce should put forward the rights of the trademark holder, and it should take into account other aspects that include interests of third parties¹⁵⁹. As seen above, there are jurisdictions in which infringing goods can be donated to charities or be recycled. In this respect, the law should be amended and enable a disposal out of the channels of commerce of infringing goods which are not sub standards by means of donation.

Taking into account the situation of the population in need in Rwanda, a donation of goods that are up to standards and that are not yet expired should go to charities depending on the nature of the goods and the field of activities for those charities. Therefore, the law should be amended to enable courts to authorize the Customs Authority to grant goods that are not sub standards to charities. In this context, goods that consist of school material could be granted to charities supporting schools in need or be granted directly to schools in need of the material. A disposal of infringing goods out of channels of commerce should not lead to other unexpected problems including the cost for maintenance of infringing goods within the customs services and possible environmental issues whereas those goods can serve positively in answering other existing problems at the local level. A donation to charities of infringing non-substandard goods is an efficient measure that can disconnect the goods from their importers and it

¹⁵⁹ TRIPS Agreement., art 46.

is aligned with a deterrence TRIPS Agreement recommend to member states¹⁶⁰. However, for the sub standards infringing goods and goods that reached their expiry date, a court remedy should only be a destruction of the goods. A choice leading to an appropriate remedy should be guaranteed by a capacity building for enforcing organs.

5.2. TRAINING NEEDS AND AWARENESS RAISING

Challenges relating to the enforcement of border measures and those that exist since the court starts to hear the case in substance can be mitigated by means of capacity building for enforcing organs and awareness raising to the business community. A capacity building could provide solutions to challenges that exist in the whole process of border protection of trademark whether at the level of the customs whether at the level of the court intervention. A capacity building could be premised by an introductory training on intellectual property in general to set the stage for a comprehensive analysis of challenges pointed out by this article. In this context, and considering the fact that the Rwandan IP Law provides for both a civil and a criminal enforcement of intellectual property rights, a capacity building should go to judges, prosecutors, investigators, legal counsels and the customs staff members.

A sustainable outcome of the capacity building for enforcing organs should be supplemented by awareness raising to the business community. The business community needs to stop involving in an importation that can make their business collapse. In particular, importers of industrial products should be made aware of a possibility for destruction of their goods once these are found to be infringing a registered trademark. The business community should be made aware of prerogatives arising out of intellectual property rights in general and this should awaken them to join a true channel of distribution of goods set by intellectual property right holders whenever they engage in an importation of industrial products protected under the Intellectual Property System.

6. CONCLUSION

There are several challenges in the context of border protection of trademark in Rwanda. Challenges exist at the level of provisional measures taken before a hearing of the case in substance, and there are challenges relating to the period that starts with the hearing of the case in substance. A challenge which is cross-cutting refers to how long trademark border protection cases should take in

¹⁶⁰ Ibid, art 46.

courts. This refers to a number of times a court should hear cases for extension of suspension of release of goods once a suspension that was decided by the Customs Authority and extended by the competent court expires before the case is heard and determined in substance. This challenge needs a two-fold answer. The law should be amended to enable a suspension of release into free circulation until the case is heard and decided in substance at the final instance, and this measure should go hand in hand with a use of discretionary powers by the President of the competent court to provide closer dates for a hearing of border protection cases in substance. This could reduce a number of court sessions in terms of requests for extension of suspension of release of goods into free circulation. It could ease doing business by limiting a number of times parties go to court requesting the same thing and expecting the same solution. Moreover, it could limit damages that can arise out of a suspension of goods for long especially in the situation of perishable goods. This two-fold solution should apply as long as a number of trademark border protection cases and intellectual property court cases in general has not yet become huge to inspire other solutions that can include an introduction of specialized chambers in intellectual property matters in commercial courts.

Challenges relating only to the level of provisional measures exist at both the level of the customs and at the level of the court. These include a challenge relating to the balancing between the rights of the importer and those of the right holder concerning a release of goods or a maintenance of suspension of release of goods before a hearing of the case in substance. These challenges should find a sustainable answer through a capacity building of enforcing organs in terms of trademark border protection, and that of enforcing organs for intellectual property rights in general. Another challenge that could find an answer in capacity building of enforcing organs is that of providing adequate remedies that take into account the seriousness of the case and interests of third parties in the situation where goods are found to be infringing. A capacity building could enhance the enforcing organs knowledge and skills in terms adequate remedies with a sound reasoning on the decision they take. A capacity building for enforcing organs should be supplemented by awareness raising for the business community for this community to boost innovative commercial ideas instead of fueling imitation that can lead to a collapse of imitating businesses. An amendment of the law, a use of discretionary powers by Presidents of courts to provide closer dates for trademark border protection cases, a capacity building for enforcing organs and

awareness raising for the business community could ensure a border protection of trademark, and a respect of IPRs in general, and this could promote the role of intellectual property for economic growth.

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